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Subject: Automotive News Interview with NHTSA Deputy Administrator/Acting Administrator Heidi King

This Automotive News article with Heidi King from NHTSA is worth reading, as it provides some insight regarding NHTSA's views of the process going forward from the NPRM.

Q&A: HEIDI KING

NHTSA'S KING: NO MORE 'SUPER-SECRET' DEALS

August 5, 2018 @ 12:01 am

Eric Kulisch

WASHINGTON — NHTSA chief Heidi King says the Trump administration's proposal to curtail the fuel-economy program and effectively freeze the standards at 2020 levels through 2026 is the result of a more transparent, consumer-driven policy that will put innovative technology in the hands of more drivers.

She spoke last week with Washington reporter Eric Kulisch. Here are edited excerpts:

Q: Has the federal government punted to California and the automakers the responsibility for coming up with a grand bargain that could continue the One National Program under the revised emissions standards?

A: I would characterize it as we're getting out of the super-secret deal-making business. In the past, some of these conversations occurred behind closed doors, outside of the public eye. And we believe that something so important to all American families shouldn't be a conversation that's in smoke-filled rooms. So we are moving forward with conversations with the industry and California, but we're doing it in a transparent way. We're making the analysis and the information that would inform final decision-making available to everybody.

And I'll tell you why. In previous decision-making behind closed doors, there was not a representative there for consumers. And we believe that's very important because personal transportation is so critical to the well-being of individuals and the economy. We want to make sure that consumers have access to cars that are affordable, have good fuel economy and a good emissions profile, and that are safe. And we want to make sure that consumers are part of the decisions that are made.

How does this proposal make things more open? Wouldn't automakers and California negotiate behind closed doors on any agreement they come up with?

Congress gave authority for setting fuel economy standards exclusively to the Department of Transportation on behalf of all the U.S. So the decision-making authority lies at the DOT. And we welcome the opportunity to work with everyone else. We are very pleased with the cooperation with EPA and the opportunity to harmonize One National Program for both fuel economy and emissions. Other stakeholders we look forward to working with, but we are not having closed meetings to come to negotiated agreements outside of the public eye.

The analysis released today provides the framework, the numbers, the assumptions and the data on which decisions should be based. We believe in fact- and science-based policy, and the facts and science are now available for all of us to see. With that information, important stakeholders, such as specific states or manufacturers, can consider how the various policy options would affect not just themselves and their organizations, but all of the people of the U.S.

To what extent do you think automakers will pursue higher standards on their own, above the government's proposal, assuming it goes into effect? There's nothing holding them back, right?

Absolutely not. What we are proposing today is a floor that is at 2020 levels and holding out to 2026. And frankly, it's the floor for an average. So there's room for manufacturers to produce what consumers want. What we are trying to avoid is to build cars that nobody wants. Some of the market research I see shows that people who have previously owned a BEV, about half them when they purchase their next vehicle, they purchase a traditional-fueled vehicle. So even consumers that show a willingness to engage with new powertrains still have diverse preferences and needs, and we want to make sure that manufacturing can provide affordable, safe, fuel-efficient and clean cars that meet consumers' needs.

How do you respond to concerns that the U.S. is ceding technology innovation to other parts of the world and that the industry will lose jobs in r&d?

We have some of the best engineers and automakers in the world. Because we have the talent, because we have led in innovation and because we have a market that allows consumers to drive innovation, I believe we will be strengthened by allowing market forces to determine the path of innovation. I believe that choosing stringent fuel economy and emissions standards would limit innovation by requiring innovators to focus on one or two dimensions when there are multiple dimensions that consumers want.

We're seeing advances in automated vehicle technology, human-machine interfaces that reduce distraction and human errors that result in crashes. In the U.S., we would like market forces to drive the direction for innovation and for those vehicles to get on the road because the innovation doesn't offer benefits to anyone if nobody buys them.